



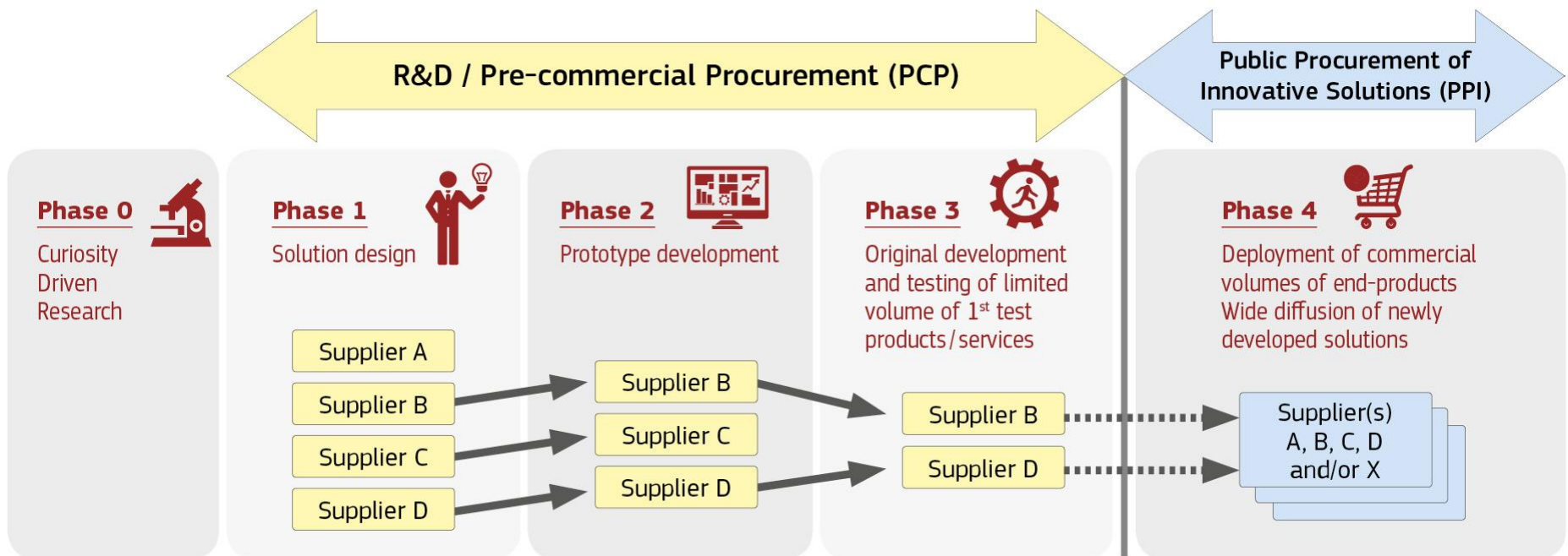
# **Innovation Procurement**

## **H2020 support and possible synergies with the ESIF**

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European Commission**

## Innovation Procurement:

- Procurement of R&D services to tackle specific public needs when solutions are not yet on the market (PCP)
- Procurement of solutions new to the market where the public sector acts as first customer (PPI)



## **Investing in innovation procurement = Investing in growth and jobs**



- **Public procurement accounts for some 2400 €Bn/year (nearly 20% of GDP) in Europe**
- **Majority of procurement budget in EU is spent at regional level**
- **Innovation Procurement: win-win situation**
  - **Modern and efficient public services**
  - **More competitive European companies**

# Why European cooperation on PCP-PPI?



- **Speed up public sector modernisation** – improve quality and efficiency of public services with breakthrough solutions
- **Get better value for money through cooperation** - enable public sector around Europe to share cost + experience to buy new solutions that can respond to concrete public needs
- **Address issues of common interest together** – e.g. where interoperability and coherence of solutions across borders, pooling of resources or market defragmentation is required
- **Create growth and jobs in Europe** – help innovators bring European R&D to the market (the majority of R&D in H2020 funded PCPs should take place in Europe, ltd set of first test products can be bought in the PPI from companies in the PCP)

# Progress PCP implementation

## Learn from first movers



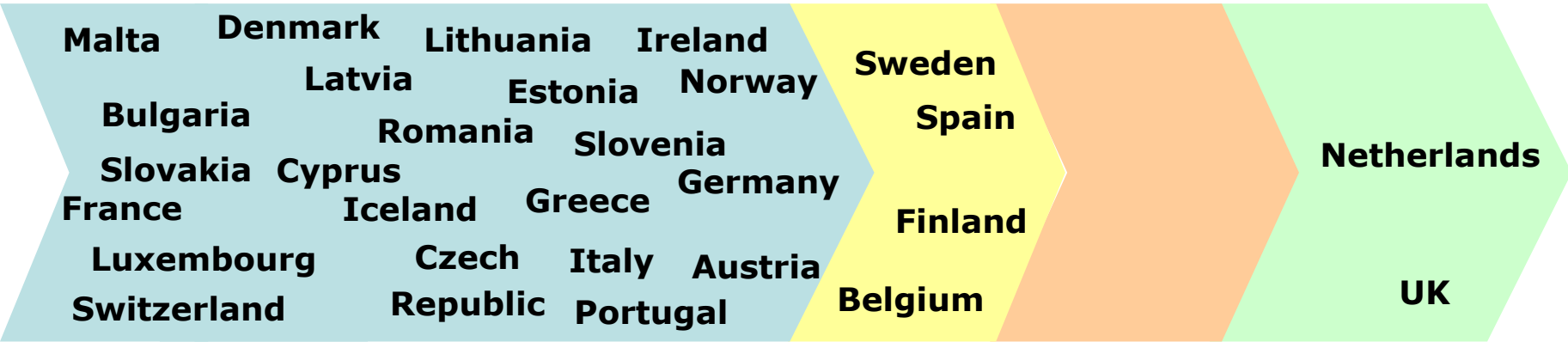
**Awareness Raising**  
Exploring possibilities

**Working on**  
framework

**Framework identified**  
and/or pilots  
in preparation

**Pilots**  
started

**2007**



**Framework identified**

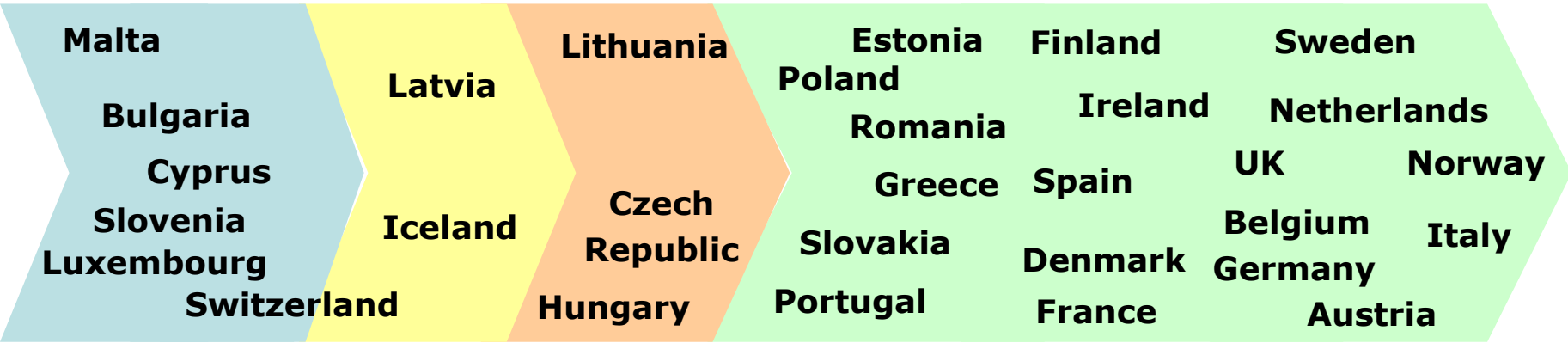
**Awareness Raising**  
Exploring possibilities

**Working on**  
framework

**and/or pilots**  
in preparation

**PCPs projects on-going**  
or finished

**2016**



# First results FP7 funded PCPs



- 11 out of 13 FP7 funded PCPs have awarded contracts by now

- SILVER (Robotics for elderly care)
- CHARM (Traffic management)
- PRACE 3IP (Energy efficient supercomputing)
- SMART@FIRE (Smart protective equipment for fire fighters)
- PREFORMA (Long term digital preservation)
- DECIPHER (Mobile health services)
- Human Brain Project (High Performance Computing for brain simulation)
- V-CON (Virtual construction of road infrastructure)
- Cloud for Europe (Cloud computing for governments)
- Thalea (Telemedicine for intensive care unit patients at increased risk)
- IMAILE (Personalised e-learning solutions)

HBP PCP doesn't result from a PCP call. HBP decided itself to use PCP under its subcontracting activities.

- Contracts awarded

- Tender docs downloaded typically between 50 to 300 times
- Nr of offers received typically between 10-34 (4-7 for specialised/low budget PCPs)
- 75 contracts awarded in total (126 companies/universities involved)



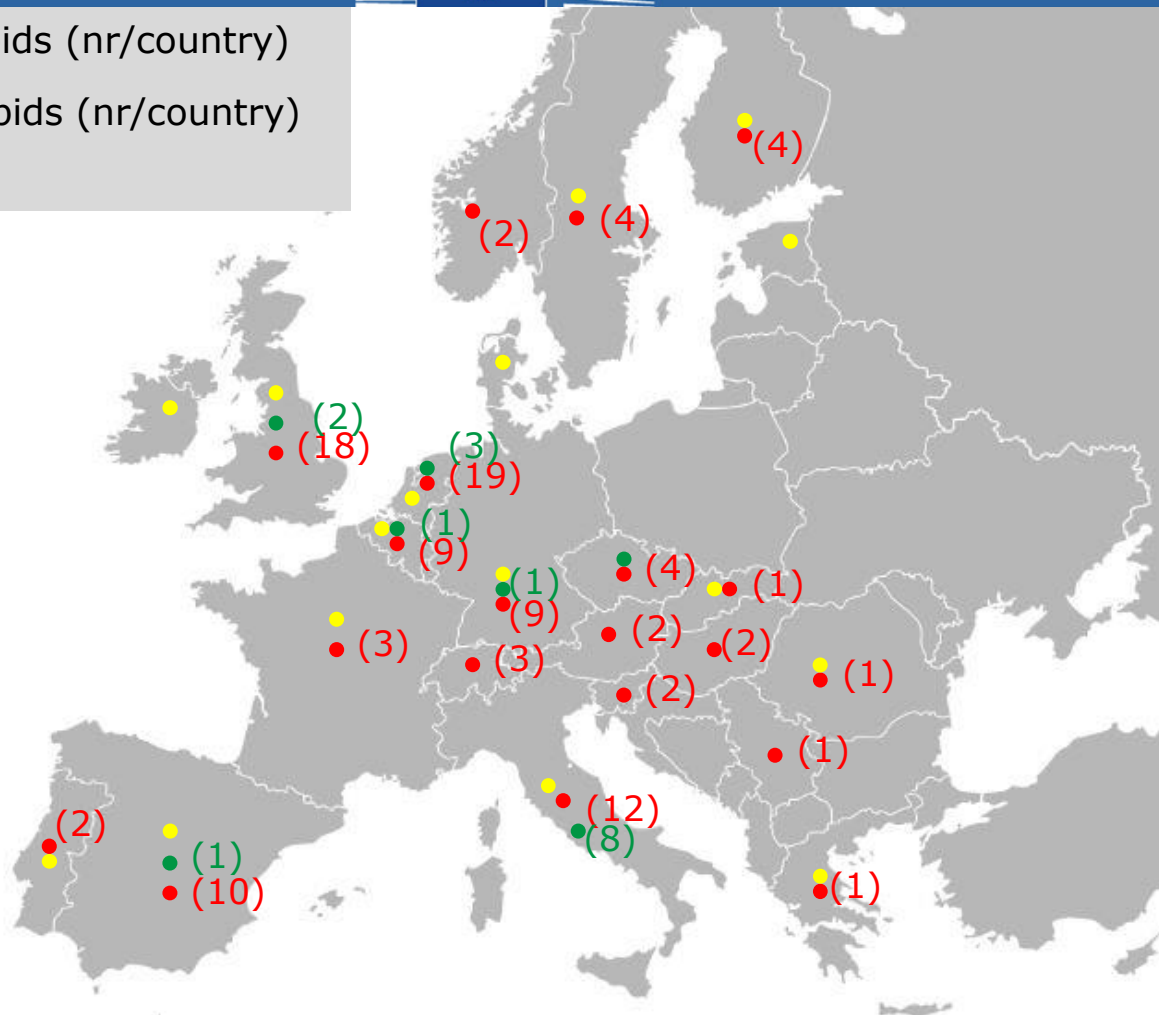
- **Opening route-to-market for new players/SMEs**
  - 71% of contracts won by SMEs (SME lead bidder, bidding alone or with partners)
  - Compared to 29% in public procurements across Europe

Mostly small young SMEs: 27% below 10 people, 60% below 50 people, 49,5% less than 10 years old
- **Joint procurement stimulates cross-border company growth**
  - 31% of contracts won by bidders that are not from a country of any of the procurers in the buyers group (e.g. DE company working for UK+NL procurers)
  - Compared to 1,26% in public procurements across Europe (also in national PCPs)
- **Relevance to universities & bringing scientific results to market**
  - 32% of winning contracts have university/R&D center partner in consortium
  - Winning SMEs are also often university start-ups
- **Encouraging commercialisation – budget efficiency**
  - Bidders offered ~ 50% price reduction on R&D cost (market beyond procurers)
  - > PCPs can get twice as much R&D done for same budget as R&I action
- **Creating growth and jobs in Europe**
  - 97,5% of bidders do 100% of R&D in Europe
  - (2 have committed to do minimum 68% resp. 85% of R&D in Europe)

# Geographic location winning bidders & procurers



- Companies in winning bids (nr/country)
- Universities in winning bids (nr/country)
- Procurers



Still companies out there that don't know about these contract opportunities.  
5 new additional Horizon 2020 PCPs will launch their call for tenders later this year.  
Who can help promote such upcoming call for tenders in their countries?

Overview on-going projects: <http://ec.europa.eu/digital-agenda/en/eu-funded-projects>



# **Examples of on-going EU funded Innovation Procurements**

# Examples EU funded transnational PCPs

## Traffic Management



# CHARM

Project timing: Sept 2012 (48 months)

Value PCP: € 2,88M

Project Website: [tinyurl.com/CHARM-PCP](http://tinyurl.com/CHARM-PCP)

CHARM is a cooperation between 3 road authority procurers: Rijkswaterstaat (NL), Highways Agency (UK), Department Mobility and Public Works - MOW (BE). Other Traffic management authorities (e.g. Trafikverket (SE) associated to the project to follow-up its progress)

CHARM contracting authorities jointly procure R&D services via the PCP to move towards an open modular traffic management architecture by getting modules developed that will optimise network performance, increase road safety and reduce CO2 emissions by improving network management, incident prediction and prevention and cooperative ITS.

# Examples EU funded transnational PCPs

## E-learning



Project Timing: February 2014 (42 months)  
Value PCP: € 4,6M  
Project website: <http://www.imaile.eu>

IMAILE procurers are: Halmstads Kommune (SE) and Alexandersson University Institute Varberg (SE), University of Magdeburg (DE), Municipality of Konnevesi (FI), City Council Viladecans (ES). Other partners: Region Saxony Anhalt (DE), Oulu IT Center of Excellence (FI), INOVAMAIS (PT), ENTER (Austria), INOVA Eszak-Alfold Regional Development and Innovation Agency (HU)

The IMAILE PCP will focus on new technologies and services for e-learning which address the challenge of providing the next generation of Personal Learning Environments (PLE) for primary and secondary school. This should address students within the topics of Science, Math and Technology, support different learning styles in an individualized way and be accessible from any device including to bring your own device (BYOD).

# Examples EU funded transnational PCPs

## Telemedicine for ICU-patients at increased risk

European  
Commission



# Thalea<sup>'''</sup>

***Project Timing: February 2014 (42 months)***

***Value PCP: € 1,55M***

***Project website: [www.thalea-pcp.eu](http://www.thalea-pcp.eu)***

Procurers: University Clinic Aachen (DE), University Hospital Maastricht (NL), Parc Tauli Sabadell University Hospital (ES), Hospital East Limburg (BE), Northern Ostrobothnia Hospital District (FI)

Other Partners: Ministry for Research & Innovation North-Rhine Westphalia (DE), NLAgency (NL), AIAQS (ES)

Through the THALEA project, 5 hospitals from Germany, Netherlands, Spain, Belgium and Finland will initiate a joint Pre-Commercial Procurement focusing on getting a highly interoperable telemedicine-platform developed for detection of Intensive Care Unit -patients at increased risk.

# Example transnational PPI Elderly Care



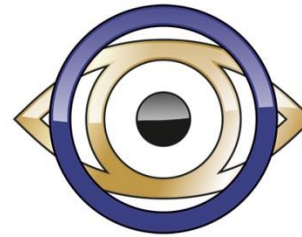
***Project Timing: April 2014 (36 months)***  
***Value PPI: € 17,2M***  
***website: [stopandgoproject.eu](http://stopandgoproject.eu)***

STOP AND GO contains 6 procurers: Regional Health Agency Campania (IT), Health agency province Catanzaro (IT), Health agency Rome (IT), Eastern Cheshire Clinical Commissioning Group (UK), Health procurement agency/Junta de Andalucia (ES), Gemeente Helmond (NL)

The €17,2M PPI aims to trigger the market to deliver ICT based telecare services that enable to care for frail elderly that suffer from multiple conditions at the same time such as heart failure, diabetes, etc.



# Examples EU funded network of procurers eHealth domain



**PRO4VIP**  
**PROCUREMENT FOR VISUAL IMPAIRED PEOPLE**

Project Timing: February 2015 (22 months)

Project website: [www.pro4vip.eu](http://www.pro4vip.eu)

PRO4VIP is a coordinating and networking project with partners: Agència de Qualitat i Avaluació Sanitàries de Catalunya - AQuAS (ES), Barcelona Macula Foundation research for vision - BMF (ES), UCLPartners (UK), Berufshilfe - BWF (DE), Rittmeyer regional institute for the deaf - RITT (IT), University Salerno - US (IT), Friuli Venezia Giulia region - FVG (IT), Trieste AREA (IT), European Blind Union - EBU (FR), ECRIN European Research Infrastructure Network (FR), ZENIT (DE)

Low vision is globally increasing as a result of the ageing world population. The PRO4VIP network brings together healthcare procurers that aim to develop a joint innovation procurement roadmap for novel cost-effective ICT-based assistive technologies for visually impaired people and clinical tools that help physicians with the early detection of such conditions.



# **H2020 support to Innovation Procurement in 2016-2017**

## **PCP/PPI Actions + Coordination and Support Actions (CSAs)**





- ❖ **Coordination and Support Actions (100% funding rate):**
  - Support only coordination activities e.g. preparation of a PCP or PPI by a group of procurers (identifying common challenges, open market consultation with industry before initiating a concrete PCP or PPI etc)
  - CSAs do not provide EU co-financing for an actual PCP or PPI procurement
- ❖ **PCP Actions (90% funding rate):**
  - Provide EU co-financing for an actual PCP procurement (one joint PCP procurement per action) + for related coordination and networking activities (e.g. to prepare, manage and follow-up the PCP call for tender)
- ❖ **PPI Actions (35% funding rate):**
  - Provide EU co-financing for an actual PPI procurement (one joint PPI procurement per action) + for related coordination and networking activities (e.g. to prepare, manage and follow-up the PPI call for tender)



# **OVERVIEW H2020 CALLS ON INNOVATION PROCUREMENT (PCP+PPI) IN 2016-2017**



# 2016-2017 calls in support of PCP and PPI

## From "draft WPs"



2016 (~40 M€)

- **PCP actions**
  - E-health: 18 M€ ([PM-12](#))
  - ICT based solutions for any area of public interest: 4 M€ ([ICT-34](#))
  - Earth observation: 3 M€ ([EO-2](#))
- **PPI actions**
  - ICTs Ageing: 10,5M€ ([PM-13](#))
- **CSA actions**
  - Urban transport deployment: 2M€ ([MG-4.4](#))
  - Climate – environment- raw materials - resource efficiency: part of larger call ([SC5-27](#))
  - Civil protection: 1,5M€ ([2-DRS](#))

2017 (~84 M€)

- **PCP actions**
  - Robotics smart cities: 7 M€ ([ICT-27\(d\)](#))
  - Soil decontamination: 5 M€ ([SC5-26](#))
  - Broadband coms security: 10 M€ ([4-DRS](#))
  - Forensics: 10 M€ ([9-FCT](#))
  - Border control: 10 M€ ([13-BES](#))
- **PPI actions**
  - E-health standards: 8,26 M€ ([PM-19](#))
  - Supercomputing: 26 M€ ([EINFRA-21](#))
  - Energy efficiency: part of larger call ([EE-19](#))
- **CSA actions**
  - Competence centers & procurer networks any area preparing PCP/PPIs: 4 M€ ([ICT-33](#))

PCP actions: co-finance (90%) actual procurement cost for joint PCPs + coordination costs

PPI actions: co-finance (35%) actual procurement cost for joint PPIs + coordination costs

CSA actions: co-finance (100%) only coordination costs e.g. procurer networks preparing future PCPs/PPIs



Call deadlines in red

- Health Work program

- PM-12: E-health innovation in empowering the patient (€ 18M; 16 Feb 2016)

- ICT Work Program

- ICT-34: Open to ICT based solutions for any area of public interest (€ 4M; 12 Apr 2016)
- ICT-27(d): Robotics based solutions for smart city applications (€ 7M; 25 Apr 2017)

- Space Work program

- EO-2: Downstream earth observation services for public sector (€ 3M; 3 Mar 2016)

- Climate Work program

- SC5-26: Soil decontamination (€ 5M; 7 Mar 2017)

- Security Work Program

- 4-DRS: Broadband communication systems for disaster resilience (€ 10M; 24 Aug 2017)
- 9-FCT: Forensic tools/techniques for fight against crime/terrorism (€ 10M; 24 Aug 2017)
- 13-BES: Next generation info systems for border/external security (€ 10M; 24 Aug 2017)



Call deadlines in red

- Health Work program
  - PM-13: Deployment of ICT solutions for active/healthy ageing (€ 10,5M; 16 Feb 2016)
  - PM-19: Uptake of standards for exchange of digital health records (€ 8,26M; 14 Ma 2017)
- Research infrastructure Work Program
  - EINFRA-21: Deploying innovative High Performance computing systems – platform driven e-infrastructure innovation (€ 26 M; 20 Sept 2016)
- Energy Work Program
  - EE-19: Deploying innovative solutions for energy efficiency (part of larger call of € 47M; 7 June 2017)

# Calls for Coordination and Support Actions



Call deadlines in red

- ICT Work Program

- ICT-33(a): European wide networks of public procurers preparing future PCPs or PPIs in any area of public interest that requires ICT based solutions
- ICT-33(b): European wide networks of competence centers on innovation procurement (€ 4M for ICT-33 (a) and (b) together; **25 Apr 2017**)

- Transport Work Program

- MG-4.4: Facilitating PPI on sustainable transport and mobility solutions in urban areas (€ 2M; **26 Jan 2016**)

- Climate Work program

- SC5-27: Preparing PCPs and PPIs in climate action, environment, resource efficiency, raw materials (part of a larger call of € 8,55 M; **8 Mar 2016**)

- Security Work Program

- 2-DRS: Situational awareness systems to support civil protection preparation and operational decision making for disaster resilience (€ 1,5 M; **25 Aug 2016**)

***Possible Synergies  
between  
the ESIF and H2020 on  
Innovation Procurement***

## GENERAL RULE

### **IT IS NOT ALLOWED !!!!!**

- To use ESIF and H2020 funding accumulatively to finance the same cost/expenditure item
- To finance the own contribution of the participant from H2020 or ESIF



# **CATEGORIES OF POSSIBLE SYNERGIES BETWEEN H2020 AND ESIF ON THE PCP/PPI IMPLEMENTATION**

**Joint or  
simultaneous  
use of funds**

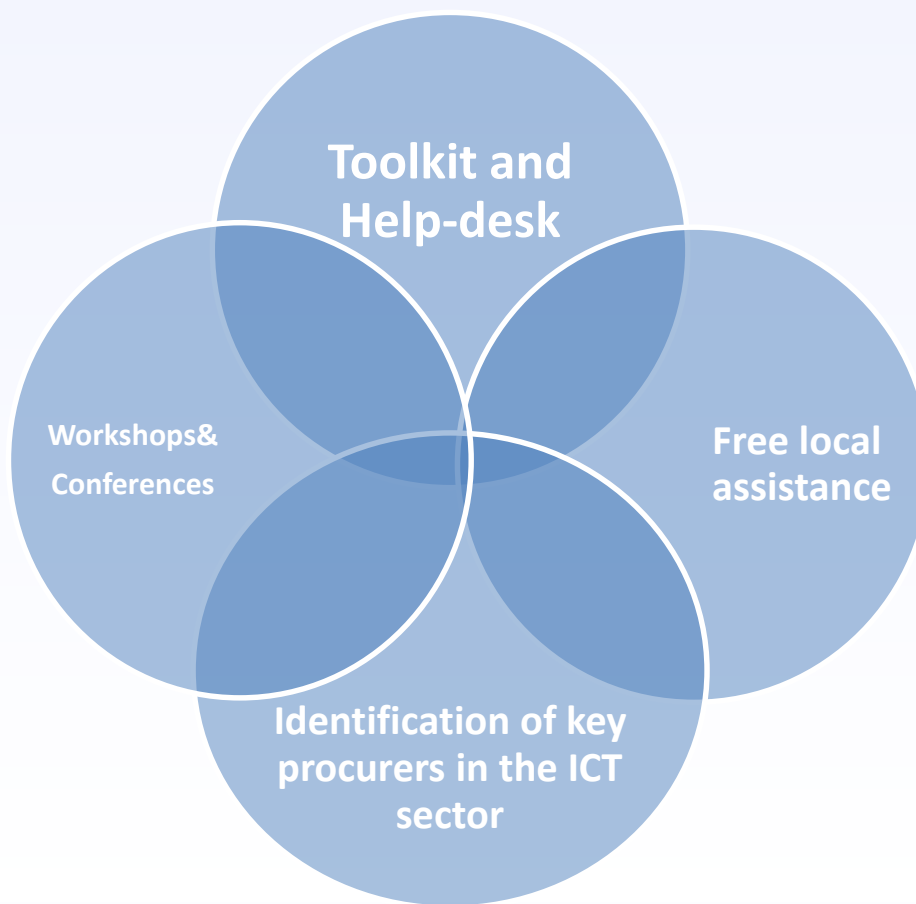
**Sequential  
funding**

**Additional  
funding**

**Alternative  
funding**



# *eafip* INITIATIVE



*For more detailed info on Innovation Procurement*  
<http://ec.europa.eu/digital-agenda/en/innovation-procurement>

*where you can also find the brochure on the PCP/PPI projects that are currently EU Co-funded*  
<http://ec.europa.eu/digital-agenda/en/news/innovation-procurement-power-public-purse>

*European Assistance for Innovation Procurement (Eafip)*  
<http://eafip.eu/>

*Guide on the synergies between H2020 and the ESIF:*  
[http://ec.europa.eu/research/regions/pdf/publications/h2020\\_synergies\\_201406.pdf](http://ec.europa.eu/research/regions/pdf/publications/h2020_synergies_201406.pdf)

*H2020 participant portal*

<http://ec.europa.eu/research/participants/portal/desktop/en/home.htm>

**Thank you very much  
for your attention**

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